

FINAL BILL REPORT

2SHB 1603

C 343 L 19
Synopsis as Enacted

Brief Description: Revising economic assistance programs by updating standards of need, revising outcome measures and data collected, and reducing barriers to participation.

Sponsors: House Committee on Appropriations (originally sponsored by Representatives Senn, Entenman, Morgan, Kilduff, Macri, Gregerson, Valdez, Chapman, Wylie, Peterson, Doglio, Tharinger, Bergquist, Robinson, Ortiz-Self, Goodman, Lovick, Jenkins, Leavitt, Hudgins, Pettigrew, Slatter, Appleton, Stanford, Davis, Frame, Pollet, Fey and Tarleton).

House Committee on Human Services & Early Learning
House Committee on Appropriations
Senate Committee on Human Services, Reentry & Rehabilitation
Senate Committee on Ways & Means

Background:

Temporary Assistance for Needy Families (TANF) is a federal block grant that provides temporary cash assistance, subsidized childcare, and work programs for low-income families. With limited exceptions, adult TANF recipients must participate in one or more WorkFirst activities that are identified through an assessment and documented in the recipient's Individual Responsibility Plan. These activities may include paid and unpaid employment-based training programs, career development, community service, work skills assessment and job search training, and vocational training programs.

The TANF program is administered by the Department of Social and Health Services (DSHS).

Work Participation, Sanctions, and Permanent Disqualification.

Federal law and state rules require a reduction or termination of a family's TANF benefits if an individual in the family refuses to participate in work requirements, unless the individual meets criteria to be exempt from mandatory work participation or has good cause. This reduction of assistance is referred to as "non-compliance sanction."

A family's TANF grant is reduced by one person's share or 40 percent, whichever is more, when a recipient is in non-compliance sanction. After two months in non-compliance sanction, the recipient's case is closed. If a TANF case is closed at least three times, the

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individual and any household that person is part of are permanently disqualified from receiving TANF benefits.

Benefits for New State Residents.

The Federal Personal Responsibility and Work Opportunity Reconciliation Act (PRWORA) of 1996 authorized states to pay the benefit amount of another state's TANF program to residents who have lived in the state for less than 12 months. In 1997 Washington enacted a law implementing the PRWORA that required, among other provisions, the DSHS to pay a lower TANF benefit to a person who has lived in a state for less than 12 months if that person received a lower benefit in his or her former state of residence. That same year, California began enforcing a similar limitation. In *Saenz. v Roe*, 526 U.S. 489 (1999), the United States Supreme Court held that California's lower benefit policy for new residents unconstitutionally discriminated against citizens of the state on the basis of the length of residency and was in violation of the privileges and immunities clause of Article IV, section 2 of the United States Constitution.

Temporary Assistance for Needy Families Five-Year Time Limit.

Federal rules limit the length of time an adult can receive TANF benefits to a cumulative total of 60 months. States can extend TANF assistance beyond the 60-month limit for up to 20 percent of the average monthly caseload. Extensions may only be offered to families on the basis of hardship, as defined by the state, or in instances of family violence. The DSHS has adopted rules identifying who is eligible for a time limit hardship extension. Examples of hardship under the adopted rules include a person with severe and chronic disabilities and a person acting as a caregiver for a disabled child or adult, among others. For federal fiscal year 2017, 4 percent of the state's caseload was exempt from the 60-month limit.

Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force.

The Legislative-Executive WorkFirst Poverty Reduction Oversight Task Force (Task Force) oversees the operation of the WorkFirst and TANF programs. The voting membership of the Task Force is comprised of eight state agency representatives and eight members of the Legislature.

Summary:

Permanent Disqualification.

The DSHS may not permanently disqualify households for noncompliance with TANF work requirements.

Benefits for New State Residents.

The state may no longer limit benefits for a new state resident to the benefit level the recipient received in his or her former state of residence.

Five-Year Time Limit.

The DSHS must add to adopted hardship criteria rules to include being homeless as a qualifying hardship for an extension of the 60-month time limit.

Other.

The Task Force is added to the recipients of quarterly progress reports on outcomes and benchmarks. Outcome measures for use in evaluating the WorkFirst program are expanded to include:

- caseload reduction data for participants who exit due to increased income, employment, at the participant's request, or for other reasons;
- employment;
- wage progression; and
- outcomes for sanctioned and time-limited families.

All provisions apply prospectively only and not retroactively. Prospective application of the Act allows families who have been permanently disqualified under prior policies to receive benefits prospectively only, if otherwise eligible.

Votes on Final Passage:

House	69	28	
Senate	35	13	(Senate amended)
House	55	39	(House concurred)

Effective: July 28, 2019